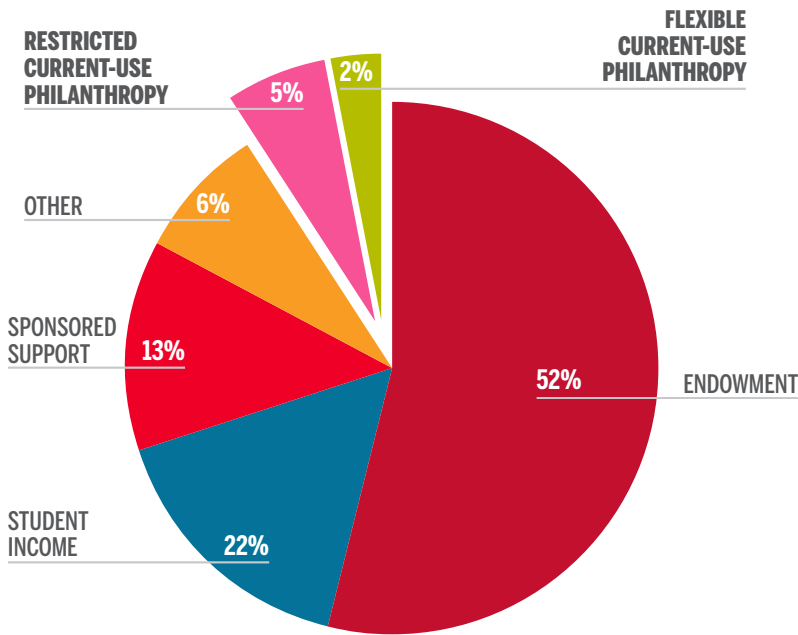


The Harvard Endowment 101

Harvard's endowment, the University's largest financial asset, is a perpetual source of support for the University and its mission of teaching and research. The endowment is both **highly restricted** and designed to support the University **forever**.

- The endowment has been thoughtfully **built over 385 years** through the generosity of alumni, parents, and friends. The current value of the University's endowment is approximately \$50.9 billion.
- The endowment supports all 12 Harvard Schools at different levels and is comprised of **more than 14,000 individual funds, about 70% of which are restricted** to highly specific purposes at the direction of the donor.
- We are stewards of these funds in perpetuity, ensuring they are used for their designated purpose and that they sustain Harvard today and in the future. Harvard has an obligation to **preserve the long-term purchasing power** of the endowment.
- The typical annual University draw is about 5% (\$2.1 billion in the last fiscal year). This provides the total University operating budget with a stable and predictable annual distribution.
- The two largest uses of endowment income are **faculty support** and **financial aid**. Throughout 2021–22, Harvard provided **\$506 million** in financial aid to students across the University. This includes **\$225 million** in undergraduate scholarships—a 37% increase over the previous fiscal year—to support the largest incoming class in Harvard history.
- While it has one of the largest university endowments in the world, Harvard has had historically **fewer endowment dollars per student** when compared to some peer institutions, including Princeton, Yale, and Stanford.





FAS REVENUE 2021-22

75% of the FAS endowment is restricted

FACULTY OF ARTS AND SCIENCES ENDOWMENT FACTS

- Current value: **\$20B** (40% of the University endowment)
- FY22 distribution: **\$850.8M**
- Annual expenses for the FAS are approximately **\$1.6 billion**. More than half of these dollars are distributed from the endowment and the vast majority of this distribution is restricted to specific programs and purposes.
- The **FAS budget is highly endowment reliant** when compared to the budgets of other Schools, such as Harvard Business School (20% annual revenue from the endowment), Harvard Kennedy School (24%), and the Harvard T.H. Chan School of Public Health (20%). Their operating revenues are bolstered by a greater proportion of tuition dollars, executive education programs, sponsored support, and other sources of income.
- Flexible, current-use support is particularly important for the FAS because its overall revenue is **more highly restricted** than at other Harvard Schools.

FLEXIBLE, CURRENT-USE DOLLARS AND THE ENDOWMENT

While flexible, current-use philanthropy appears to be a relatively small portion of the FAS budget at about 2 percent, these dollars are a powerful piece of the FAS financial picture. It is also one of the few sources of FAS revenue that has the potential to grow over time through increased donor support.

Flexible, current-use dollars raised through the Harvard College Fund and Graduate School Fund are **unrestricted** and designed to support the FAS **immediately**, where support is needed most. They fund the fundamental needs of the FAS mission, allow leaders to respond to unforeseen circumstances, provide seed funding for new initiatives, and bring the most talented students and faculty to campus through financial aid and fellowships. These dollars support the FAS in critical ways that endowment dollars cannot.

ADDITIONAL RESOURCES

- [Supporting Our Mission: The Endowment](#)
- [Harvard Management Company: Endowment at Work](#)
- [Financial Overview: Harvard's Endowment](#)
- [2022 FAS Dean's Annual Report](#)
- [2022 Harvard University Annual Financial Report](#)
- [A Path Forward with Flexible, Current-Use Support](#)
- [M.U.S.T.: The Impact of Flexible, Current-Use Giving](#)